

Staff Report

Subject: Consideration for renewal of Lease Agreement with Crown Castle for the Cell Tower located at 247 Church Road

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Department: Administration

Meeting Date: July 19, 2022

Item Description: Consideration for renewal of Lease Agreement with Crown Castle for the Cell Tower located at 247 Church Road

Summary Recommendation: Crown Castle has proposed two options for renewal and staff recommend Alternate 1 as explained in the executive summary.

Executive Summary/Background:

- The current lease with Crown Castle will expire on September 10, 2022. Crown Castle would like to negotiate a new agreement to remain on the property and proposes the following:
 - **Lease Amendment.** Amend the current lease to:
 - Add five (5) four-year renewal terms; the new expiration date would be Sep 10, 2042
 - Increase the current rent from \$17,418.24/year to \$18,114.97/year effective Sep 11, 2022
 - Reduce the rent escalation rate from 20% per term to 4% per year with the first 4% increase on Sep 11, 2022
 - Submit a \$30K lump sum payment 60 days after signing the amendment
 - **Perpetual Easement.** A \$450K lump-sum payment for a perpetual easement over the 4,900 SF leased area and the associated access and utility easement – OR—
- Crown Castle had originally requested a 3% rate increase each year, but agreed to a 4% increase. They will draft the new documents based on the Commissioner's decision.

Alternatives for Commission to Consider

1. Move forward with a Lease Amendment with Crown Castle with an expiration date of Sept. 10, 2042, a 4% annual rate increase, and a \$30K lump sum payment
2. Move forward with the Perpetual Easement with Crown Castle for a lump-sum payment of \$450K
3. Take no action.

Recommended Alternative: 1

Other Alternatives: 2, 3

Department Review: County Manager, County Attorney

Funding Source:

Attachments:

1. Email from Crown Castle
2. Current Lease with Crown Castle